

(3) Has rendered and is continuing to render satisfactory performance of his responsibilities to the Homebuyers Association.

Accordingly, said Homebuyer may, upon payment of the purchase price, exercise the option to purchase the Home in accordance with and subject to the provisions of his Homebuyers Ownership Opportunity Agreement.

Housing Authority _____
By _____

(Signature and official title)

(Date) _____
Homebuyers Association _____

By _____
(Signature and official title)

(Date) _____

APPENDIX IV TO SUBPART B OF PART
904—PROMISSORY NOTE FOR PAY-
MENT UPON RESALE BY HOMEBUYER
AT PROFIT

(Subpart B)

FOR VALUE RECEIVED, _____
(Homeowner) promises to pay to
(Authority) or order, the principal sum of
_____ ¹ Dollars (\$ _____), with-
out interest, on the date of resale by the
Homeowner of the property conveyed by the
Authority to the Homeowner.

Such principal sum shall be reduced auto-
matically by 20 percent of the initial amount
at the end of each year of such residency, as
a Homeowner, and this note shall terminate
at the end of five years of such residency, as
determined by the Authority; Provided, how-
ever, that the amount payable under this
note shall in no event be more than the net
profit on the resale, that is, the amount by
which the resale price exceeds the sum of (1)
the Homeowner's purchase price, (2) the
costs incidental to his acquisition of owner-
ship, (3) the costs of the resale, including
commissions and mortgage prepayment pen-
alties, if any, and (4) the increase in value
of the Home, determined by appraisal, due to
improvements paid for by the Homeowner
whether as a Homebuyer (with funds from
sources other than his Earned Home Pay-
ments Account or his Nonroutine Mainte-
nance Reserve) or as a Homeowner.

If the Homeowner shall pay this note at
the time and in the manner set forth above,
or if, by its provisions, the amount of this
note shall be zero, then the note shall termi-
nate and the Authority shall, within thirty
(30) days after written demand therefor by
the Homeowner, execute a release and satis-
faction of this note. The Homeowner hereby
waives the benefits of all statutes or laws

¹Amount determined in accordance with
section 19 of the Homebuyers Ownership Op-
portunity Agreement.

which require the earlier execution or deliv-
ery of such release and satisfaction by the
Authority.

Presentment, protest, and notice are here-
by waived.

Dated _____, 19____
Local Housing Authority _____

By: _____ (Homeowner)
_____ (Homeowner's Spouse)

**Subpart C—Homeownership
Counseling and Training**

§ 904.201 Purpose.

The purpose of the counseling and
training program shall be to assure
that the homebuyers, individually and
collectively through their homebuyers
association (HBA), will be more capa-
ble of dealing with situations with
which they may be confronted, making
decisions related to these situations,
and understanding and accepting the
responsibility and consequences that
accompany those decisions.

§ 904.202 Objectives.

The counseling and training program
should seek to achieve the following
objectives:

(a) Enable the potential homebuyer
to have a full understanding of the re-
sponsibilities that accompany his par-
ticipation in the Homeownership Op-
portunity Program;

(b) Enable the potential homebuyer
to have an understanding of home-
ownership tasks with specific training
given to individuals as the need and
readiness for counseling or training in-
dicates;

(c) Assure that the role of the HBA is
understood and plans for its organiza-
tion are initiated at the earliest prac-
tical time;

(d) Develop an understanding of the
role of the LHA and of the need for a
cooperative relationship between the
homebuyer and the LHA;

(e) Encourage the development of
self-help by the homebuyer through re-
ducing dependency and increasing inde-
pendent action;

(f) Develop an understanding of mu-
tual assistance and cooperation that
will develop a feeling of self-respect,
pride and community responsibility;

(g) Develop local resources that can
be of assistance to the individual and
the community on an on-going basis.